

## **FINANCE, POLICY AND RESOURCES COMMITTEE**

ABERDEEN, 4 December 2014. Minute of meeting of the FINANCE, POLICY AND RESOURCES COMMITTEE. Present: Councillor Young, Convener; Councillor Thomson, Vice Convener; and Councillors Allan, Cameron, Dickson, Donnelly, Jackie Dunbar, Greig (as substitute for Councillor Yuill), Len Ironside CBE, Laing, McCaig, Milne, Jean Morrison MBE (as substitute for Councillor Reynolds), Noble, Jennifer Stewart, Taylor and Townson.

**The agenda and reports associated with this minute can be located at the following link:-**

**<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MIId=3556&Ver=4>**

**Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be altered retrospectively.**

### **DETERMINATION OF EXEMPT ITEMS OF BUSINESS**

1. The Convener proposed that the Committee consider those reports identified on the agenda as being for determination in private, with the press and public excluded.

#### **The Committee resolved:-**

in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting from item 12.1 of the agenda (article 25 of this minute) onwards so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act: articles 25, 26 and 32 (paragraph 9), article 27 (paragraphs 8 and 10), article 28 (paragraphs 6 and 8), article 29 (paragraph 6), article 30 (paragraphs 8 and 9) and article 31 (paragraphs 6 and 9).

### **MINUTE OF PREVIOUS MEETING OF 30 SEPTEMBER 2014**

2. The Committee had before it the minute of its previous meeting of 30 September, 2014.

#### **The Committee resolved:-**

to approve the minute as a correct record.

### **COMMITTEE BUSINESS STATEMENT**

3. The Committee had before it a statement of pending and outstanding committee business, as prepared by the Head of Legal and Democratic Services.

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### **The Committee resolved:-**

- (i) to note that a report relating to item 2 (Geographical Weighting Allowance) was included within the Information Bulletin and that reports relating to item 3 (Festive Period) and item 10 (Smithfield Primary School Site) were included within the agenda papers for today's meeting and all three items would be removed from the statement subject to the decision taken; and
- (ii) to otherwise note the updates contained therein.

### **2014/15 FINANCIAL MONITORING - CORPORATE GOVERNANCE (CG/14/149)**

4. With reference to article 7 of the minute of its previous meeting of 30 September 2014, the Committee had before it a report by the acting Director of Corporate Governance which provided information to date on the current year's revenue and capital budget's financial performance for the Corporate Governance Service, and advised of any areas of risk and management action being taken in this regard.

### **The report recommended:-**

that the Committee -

- (a) note the report and information on management action and risk that was contained therein; and
- (b) instruct officers to continue to review budget performance and report on Service strategies.

### **The Committee resolved:-**

to approve the recommendations.

### **COUNCIL GENERAL FUND MONITORING 2014/15 (CG/14/157)**

5. With reference to article 8 of the minute of its previous meeting of 30 September 2014, the Committee had before it a report by the acting Director of Corporate Governance which presented the current financial position for the Council for the financial year 2014/2015 and advised of any areas of risk and management action being taken in this regard.

### **The report recommended:-**

that the Committee –

- (a) note the report;
- (b) note the prior agreement to use any uncommitted revenue surplus towards funding the Council's capital investment requirements as set out in the capital programme, including the Strategic Infrastructure Plan;
- (c) approve that a sum of £2.93million be earmarked from the 2014/15 underspend for the restructuring of Children's Services; and
- (d) approve the Council's engagement with the external advisors appointed by the Hub North partnering authorities to provide legal, financial and technical support

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for the new South of the City Academy project, with the cost of these advisors to a maximum of £200,000 being funded by a Scottish Government grant.

### **The Committee resolved:-**

- (i) to approve recommendations (a), (b) and (d) above; and
- (ii) that the recommended use of the £2.93million underspend for children's services be referred to the budget process.

### **GENERAL FUND REVENUE AND CAPITAL BUDGET 2015-16 AND INDICATIVE FIVE YEAR BUDGETS (CG/14/133)**

6. The Committee had before it a report by the acting Director of Corporate Governance which (1) provided details of the 2015/16 General Fund Revenue budget along with the indicative five year budgets for the General Fund and an indicative investment level of £361million for the Non Housing Capital Programme during the same time frame, incorporating the recently approved Strategic Infrastructure Plan; and (2) advised that these budgets were based on the current settlement information from the Scottish Government (Finance Circular 6/2014) and were therefore subject to change once an updated settlement position is announced.

### **The report recommended:-**

that the Committee -

- (a) note the 2015/16 draft revenue and capital budget proposal which will be presented to the 5 February, 2015 Budget Setting Council meeting;
- (b) note the continuation of a Risk Fund (held as an earmarked sum) to mitigate against any in year cost pressures subject to final Council approval in February 2015; and
- (c) agree that the Council continues to retain uncommitted revenue reserves in accordance with the Reserves Strategy, which presently shows a requirement for £11.3million to be held.

### **The Committee resolved:-**

to refer the report simpliciter to the Council's budget meeting on 6 February 2015.

### **2014/15 COMMON GOOD FUND - MONITORING REPORT (CG/14/150)**

7. With reference to article 9 of the minute of its previous meeting of 30 September, 2014, the Committee had before it a report by the acting Director of Corporate Governance which presented the current income and expenditure position of the Common Good Fund for the financial year 2014/2015 to 31 March, 2015 and provided a forecast position of cash balances as at 31 March 2015.

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### **The report recommended:-**

that the Committee -

- (a) note the income and expenditure position as at 31 March, 2015; and
- (b) note the estimated cash balances as at 31 March 2015 of £6.6million based on current estimates, which was within the recommended levels indicated by the Head of Finance.

### **The Committee resolved:-**

to approve the recommendations.

## **DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET AND HOUSING CAPITAL BUDGET 2015/16 TO 2019/20 (CG/14/134)**

8. The Committee had before it a joint report by the acting Director of Corporate Governance and the Director of Communities, Housing and Infrastructure which provided information to allow the setting of the rent level for the financial year 2015/16 as well as provisional rent levels for the financial years 2016/17 to 2019/20. In turn this would allow a capital programme for 2015/16 as well as a provisional programme for 2016/17 to 2019/20.

### **The report recommended:-**

that the Committee consider the draft Housing Revenue Account Budget and refer it to Council on 17 December 2014 to -

- (a) approve the budget as attached in Appendix 1 of the report;
- (b) approve the weekly unrebated rents for municipal houses, as detailed in Appendix 1 of the report, to take effect from Monday 6 April, 2015;
- (c) approve the level of revenue contribution to the Housing Capital budget for 2015/16 as well as a provisional contribution for the subsequent four financial years as detailed in Appendix 1 of the report;
- (d) continue to increase the level of working balances to 10% to meet future contingencies;
- (e) agree the continuation of the practice that all capital receipts, from the disposal of Council houses under right to buy, continue to be used to repay debt for 2015/16 and future years;
- (f) approve the level of miscellaneous rents and service charges, including Heat and Rent as detailed in Appendix 1 of the report;
- (g) set a capital programme for the financial year 2015/16 based on the rent strategy adopted as well as the indicative level of programme for the financial years 2016/17 and 2019/20;
- (h) in order for work to commence on the capital programme approves as estimated expenditure in terms of Standing Order 1(3) (of the Council's Standing Orders relating to Contracts and Procurement) the sums shown against each heading of the Housing Capital Expenditure budget set out in Appendix 1 to the report; and
- (i) authorise the Director of Communities, Housing and Infrastructure to undertake

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or instruct appropriate procedures to procure the works referred to in Appendix 1 for the capital programme and award contracts relating thereto.

### **The Committee resolved:-**

to refer the report simpliciter to the meeting of the Council on 17 December 2014.

### **COMMON GOOD BUDGET 2015-16 AND INDICATIVE 2016/17 TO 2019/20 BUDGET (OCE/14/039)**

9. The Committee had before it a report by the Chief Executive which outlined the draft Common Good budget for 2015/16, along with an indicative 2016/17 to 2019/20 budget.

### **The report recommended:-**

that the Committee -

- (a) consider the Common Good budget for 2015/16 as detailed in Appendix 1 to the report and, subject to any changes agreed by the Committee, refer it to the Council Budget Meeting on 6 February, for approval; and
- (b) note the 2016/17 to 2019/20 indicative budgets which were also contained in Appendix 1.

### **The Committee resolved:-**

to approve the recommendations.

### **NORTH EAST SCOTLAND PENSION FUND 2015/16 AND INDICATIVE 2016/17 TO 2019/20 BUDGET (CG/14/135)**

10. The Committee had before it a report by the acting Director of Corporate Governance which outlined the budget included in the 2015/16 General Fund budget that related to the North East Scotland Pension Fund (NESPF) and an indicative 2016/17 to 2019/20 budget.

### **The report recommended:-**

that the Committee -

- (a) note the provision contained within the Council's General Fund budget for 2015/16, and subject to any changes agreed by the Committee, refer it to the Council Budget Meeting on 5 February, 2015 for approval;
- (b) note the 2016/17 to 2019/20 indicative budget;
- (c) instruct the Head of Finance to recover the actual costs from the NESPF; and
- (d) note the progress on the introduction of a Service Level Agreement.

### **The Committee resolved:-**

to approve the recommendations.

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**TREASURY MANAGEMENT - MID YEAR REVIEW (CG/14/141)**

11. With reference to article 10 of the minute of its previous meeting of 30 September, 2014 the Committee had before it a report by the acting Director of Corporate Governance which provided an update on treasury management activities undertaken to date, during the financial year 2014/2015.

**The report recommended:-**

that the Committee -

- (a) note the treasury management activities undertaken in 2014/2015 as detailed within the report; and
- (b) approve the revised counterparty list as detailed at appendix 1 of the report.

**The Committee resolved:-**

to approve the recommendations.

**SMALL FINANCIAL ASSISTANCE GRANTS 2014/15 (CG/14/162)**

12. The Committee had before it a report by the acting Director of Corporate Governance which presented two applications for financial assistance.

**The report recommended:-**

that the Committee agree to award grant funding to:-

- Torry Development Trust - a maximum of £1,500; and
- Gerrard Street Baptist Church – a maximum of £500.

**The Committee resolved:-**

to approve recommendation.

**SICKNESS ABSENCE UPDATE (CG/14/156)**

13. With reference to article 18 of the minute of meeting of 6 May 2014, the Committee had before it a report by the acting Director of Corporate Governance which outlined the sickness absence performance across the organisation.

**The report recommended:-**

that the Committee -

- (a) note the sickness absence rate across the Council and the breakdown of sickness absence by Directorates as detailed in Appendix 1 of the report; and
- (b) agree that from 1 April, 2015 the sickness reporting of statistics will only include the new method of calculation.

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**The Committee resolved:-**

to approve the recommendations.

**HOLIDAY PAY - LEGAL ISSUE (CG/14/154)**

14. The Committee had before it a report by the acting Director of Corporate Governance which provided information on the developments in case law regarding the calculation of holiday payments.

**The report recommended:-**

that the Committee delegate authority to the Chief Executive and the Convener and Vice-Convener of Finance, Policy and Resources to approve required amendments to the method of calculating holiday pay, including approval of the additional costs associated with the change and any required retrospective payments.

**The Committee resolved:-**

- (i) to delegate authority to the Chief Executive in consultation with the Convener and Vice Convener of Finance, Policy and Resources to approve the required amendments to the method of calculating holiday pay, including approval of the additional costs associated with that change and any required retrospective payments; and
- (ii) that officers consult with Trade Unions on the matter, and if there is no collective agreement, submit a report to the Committee.

**SHARED SERVICES - S.95 OFFICER (CG/14/166)**

15. The Committee had before it a report by the acting Director of Corporate Governance which outlined the opportunity that exists for Aberdeen City Council to enter into a trial shared service arrangement with Shetland Islands Council for the delivery of the remit of the Chief Financial Officer, commonly known as s.95 Officer, referring to s.95 of the Local Government (Scotland) Act 1973. In Aberdeen City Council, this post holder is the Head of Finance.

**The report recommended:-**

that the Committee -

- (a) approve the proposals set out in the business case, attached to the report, for shared working with Shetland Islands Council;
- (b) delegate authority to the Head of Legal and Democratic Services in conjunction with the Chief Executive and Director of Corporate Governance to negotiate with Shetland Islands Council, and such of its officers as may be necessary, to conclude contracts that will arrange for the proper administration of both Councils;

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- (c) agree that any changes to management roles and responsibilities are agreed by the Director of Corporate Governance in conjunction with the Head of Human Resources and Organisational Development and Head of Finance;
- (d) agree that the proposed arrangement is put in place for a period of twelve months, with a review of its operation after the first six months; and
- (e) receive a report back on the outcome of the trial no later than December, 2015.

**The Committee resolved:-**

to approve the recommendations.

### **AUTHORITY TO PROCURE UNDER FRAMEWORK CONTRACTS - SCOTTISH PROCUREMENT AND SCOTLAND EXCEL (CG/14/130)**

16. The Committee had before it a report by the Acting Director of Corporate Governance which sought permission to procure the services of temporary agency workers under national framework agreements.

**The report recommended:-**

that the Committee -

- (a) note the approval granted, as required under Standing Order 21(1), by the Head of Commercial and Procurement Services and Head of Legal and Democratic Services to use the nationally tendered Scottish Procurement and Scotland Excel framework agreements for the provision of temporary agency workers as detailed in Appendix 1 of the report; and
- (b) approve contracts being entered into across all Council Directorates under the above frameworks for an estimated annual expenditure of up to £4,300.

**The Committee resolved:-**

to approve the recommendations.

### **MATTER OF URGENCY**

The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency to enable the Council to consider the matter without delay.

### **PROVISION OF INDIRECT TAX SERVICES - EXEMPTION FROM STANDING ORDERS ON CONTRACTS AND PROCUREMENT (CG/14/168)**

17. The Committee had before it a report by the Acting Director of Corporate Governance which advised of an exemption from Standing Orders (in terms of Standing Order 1(6)(b)) approved by officers in order to engage PricewaterhouseCoopers LLP



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(PwC) with a view to securing a refund of overpaid VAT from HM Revenue and Customs on a no-win no-fee basis.

**The report recommended:-**

that the Committee note the exemption from the Standing Orders relating to Contracts and Procurement of the contract with PricewaterhouseCoopers LLP for provision of services relating to Indirect Tax claims, all in terms of Standing Order 1(6)(b).

**The Committee resolved:-**

to approve the recommendations.

**MATTER OF URGENCY**

**The Convener intimated that he had directed in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973, that the following item be considered as a matter of urgency to enable the Council to consider the matter without delay.**

**TENDER FOR AGENCY SERVICE FRAMEWORK AGREEMENT (CG/14/073)**

**18.** The Committee had before it a report by the Acting Director of Corporate Governance which sought approval to enter into a tendering process in collaboration with seven other Local Authorities to procure a framework agreement to source agency staff for trades operating within the Council's Building Services Division.

**The report recommended:-**

that the Committee -

- (a) approve that Building Services enter into the proposed collaboration arrangements for re-tendering the building trades agency staff framework; and
- (b) approve the extension of the current framework by two months to facilitate in the transition of the new building trades agency staff framework.

**The Committee resolved:-**

to approve the recommendations.

**STRATEGIC INFRASTRUCTURE PLAN - PROGRESS UPDATE (CG/14/159)**

**19.** With reference to article 30 of the minute of its previous meeting of 30 September, 2014 the Committee had before it a report by the Director of Communities, Housing and Infrastructure which provided an update on progress of the delivery of the Strategic Infrastructure Plan.

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### **The report recommended:-**

that the Committee note the content of the report and the progress made to date.

### **The Committee resolved:-**

to approve the recommendation.

## **CORPORATE INFORMATION AND RECORDS LIFECYCLE MANAGEMENT POLICY AND SUPPORTING POLICIES (CG/14/137)**

**20.** With reference to article 20 of the minute of meeting of 6 December 2012, the Committee had before it a report by the Acting Director of Corporate Governance which presented the revised Information and Records Lifecycle Management Policy and supporting policies and outlined the framework by which the Council will build an infrastructure that ensures the effective management of all business information and records throughout their lifecycle.

### **The report recommended:-**

that the Committee –

- (a) note the detail of and approve the revised Information and Records Lifecycle Management Policy (Appendix 1 of the report);
- (b) note the detail appended to the corporate Business Classification Scheme Policy and Records Retention and Disposal Schedule Policy as working templates that provide a framework to collaborate with Information Asset Owners to pilot, test and refine the details where necessary; and
- (c) note the detail of and approve the Supporting suite of policies:-
  - Business Classification Scheme Policy (Appendix 2 of the report) and corresponding template;
  - Records Retention and Disposal Schedule Policy (Appendix 3 of the report) and template; and
  - Information Asset Register Policy (Appendix 4 of the report).

### **The Committee resolved:-**

to approve the recommendations.

## **CORPORATE ARCHIVAL TRANSFER AND ACQUISITION POLICY (CG/14/167)**

**21.** The Committee had before it a report by the acting Director of Corporate Governance which presented the Archival Transfer and Acquisition Policy which defined the scope of the records that Aberdeen City Archive aimed to collect and make accessible to the public and how these records should be transferred to it, both from within the Council and from individuals, businesses and organisations outside it.

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**The report recommended:-**

that the Committee note the detail of and approve the Archival Transfer and Acquisition Policy attached as Appendix 1 of the report.

**The Committee resolved:-**

to approve the recommendation.

**Councillor Milne declared an interest in the subject matter of the following article by virtue of his position as a member of the Board of Aberdeen Heat and Power. He considered that the nature of his interest did not require him to leave the meeting. Councillor Jean Morrison MBE declared an interest by virtue of her position as a member of Aberdeen Heat and Power in her own right. She considered that the nature of her interest required her to leave the meeting and took no part in the Committee's deliberations thereon.**

### **ABERDEEN HEAT AND POWER - CHARITABLE STATUS (CG/14/164)**

**22.** The Committee had before it a report by the Acting Director of Corporate Governance which outlined the developments regarding the proposal for Aberdeen Heat and Power to change to charitable status.

**The report recommended:-**

that the Committee –

- (a) approve the proposal for Aberdeen Heat and Power to change to charitable status; and
- (b) approve that documentation giving effect to the change in status is negotiated and signed on behalf of the Council with input from legal officers.

**The Committee resolved:-**

to approve the recommendations.

### **BUSINESS RATES APPEALS SUB-COMMITTEE (CG/14/165)**

**23.** The Committee had before it a report by the acting Director of Corporate Governance which sought approval to establish a body to hear appeals against rating liability under section 238 of the Local Government (Scotland) Act 1947. An appeal has now been received and must be considered.

**The report recommended:-**

that the Committee –

- (a) establish a small Business Rates Appeals Sub Committee comprising five members and that arrangements are made to hear the current appeal;

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- (b) agree that training be provided to the nominated members and possible substitutes prior to the hearing of the appeal;
- (c) agree that the Senior Democratic Services Manager be appointed clerk to the sub committee and be authorised to delegate in writing the day to day operation of the sub committee to a Committee Services Officer in his team; and
- (d) agree that the procedure appended to the report for the making and hearing of appeals be adopted.

**The Committee resolved:-**

to note the report and to refer it to Council to establish the Business Rates Appeals Sub Committee.

### **HYDROGEN TRANSPORT ECONOMY FOR THE NORTH SEA REGION (CG/14/069)**

**24.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which outlined the decision to exempt the signing of a Letter of Intent with regard to a budget increase for the Hydrogen Transport Economy for the North Region (HyTrEc) project from the Council's Standing Orders.

The report advised that the Letter of Intent was required to be submitted urgently to the EU's North Sea Programme by 26 November, 2014 in order to allow the Council to access additional grant funding and to seek an increase in the project's budget. No additional money was required from the Council to access the additional EU money.

**The report recommended:-**

that the Committee note the decision of the signing of a Letter of Intent and budget increase for HyTrEc.

**The Committee resolved:-**

to approve the recommendation.

**In accordance with the decision recorded under article 1 of this minute, the following items were considered with the press and public excluded.**

### **HOUSING SUPPORT SERVICES COMMISSIONING PLAN (CHI/14/049)**

**25.** The Committee had before it a report by the Director of Communities, Housing and Infrastructure which sought approval of the estimated expenditure for the commissioning of Support Services, Community Safety and Housing Advice Services within Communities, Housing and Infrastructure as set out in the Commissioning Plan at Appendix 1 in the report.

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### **The report recommended:-**

that the Committee -

- (a) approve the Commissioning Plan and Timeline at Appendix 1 and Appendix 2 of the report;
- (b) approve the estimated expenditure in relation to the services as detailed in the report at Appendix 1;
- (c) agree that the Commissioning Plan shall be exempt from the application of Standing Order 1(5) of the Council's Standing Orders relating to Contracts and Procurement (March 2014);
- (d) instruct officers to enter into formal contractual arrangements with providers where the previous contracts have expired or where implied contracts are in place;
- (e) agree that existing contracts for Support and Housing Access Services are extended to 31 March 2017, as detailed in Appendix 1 of the report;
- (f) where contracts are under supplies/services threshold of £60,000 to instruct officers to enter into service level agreements to be reviewed annually as detailed in Appendix 1 of the report;
- (g) approve the re-commissioning of Aberdeen Families Project with the objective of awarding a 5 year contract to successful service provider;
- (h) instruct officers to report to the Finance, Policy and Resources Committee by December, 2015 with a Commissioning Plan for the Support, Housing Access and Community Safety Services with new service specifications; and
- (i) to report back to the Committee on 23 April 2015 in relation to implied contracts.

### **The Committee resolved:-**

to approve the recommendations.

## **IMPLEMENTATION OF PROMPT PAYMENT DISCOUNT SCHEME (CG/14/144)**

**26.** The Committee had before it a report by the Acting Director of Corporate Governance which sought approval to undertake a prompt payment discount programme in association with Oxygen Finance Ltd over a period of five years, utilising the Northumberland County Council Framework Agreement for Supply Chain Finance Solution.

### **The report recommended:-**

that the Committee approve the direct award of a call-off contract to Oxygen Finance Ltd under the Northumberland County Council Framework Agreement for Supply Chain Finance Solution, such contract:-

- (1) be a duration of up to five years; and
- (2) involve the sharing (in proportions detailed in the report) between the Council and Oxygen Finance Ltd of the discount savings achieved but to involve no expenditure on the part of the Council other than that

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associated with the provision of minimal staffing resources on an ad-hoc basis,  
subject to approval by the Head of Legal and Democratic Services of the terms of the contract.

**The Committee resolved:-**

to approve the recommendation.

**OPENTEXT LICENCE AGREEMENT (CG/14/148)**

27. With reference to article 22 of the minute of meeting of 21 February 2013, the Committee had before it a report by the acting Director of Corporate Governance which (1) sought approval of estimated expenditure to allow the Council to enter into a new agreement for licensing, support and maintenance; and (2) described the background to the OpenText contract which constitutes a licence and support agreement which will be in place until March 2015, and noted that officers were currently looking into options around renewing this.

**The report recommended:-**

that the Committee -

- (a) note the contents of the report; and
- (b) approve the estimated expenditure of £360,000 over a period of up to five years, in connection with the award of a contract for the renewal of licence and support for electronic document management software.

**The Committee resolved:-**

to approve the recommendations.

**REQUEST FOR AUTHORITY TO PROCURE MANAGEMENT DEVELOPMENT TO ASSIST IN DELIVERY OF ORGANISATIONAL TRANSFORMATION (CG/14/152)**

28. The Committee had before it a report by the acting Director of Corporate Governance which sought approval to conduct a tender exercise for the further provision of management development to enable and assist organisational transformation and to seek approval of the estimated expenditure.

**The report recommended –**

that the Committee -

- (a) authorise the Organisational Development Team Leader, Human Resources and Organisational Development, in conjunction with Legal Services, the aligned Category Manager and the Central Procurement Unit, to conduct a competitive tendering exercise in line with Council Standing Orders, Financial Regulations and EU legislation for further provision of a management development and support programme;

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- (b) approve the award of the contract, following a fully compliant tendering exercise, to the bidder who submitted the most economically advantageous tender in accordance with the award criteria stated in the Invitation to Tender and subject to the satisfactory conclusion of the contractual documentation; and
- (c) approve the estimated expenditure detailed in the report.

**The Committee resolved:-**

to approve the recommendations.

### **PROVISION OF AN EMPLOYEE BENEFITS SCHEME - EXEMPTION FROM STANDING ORDERS ON CONTRACTS AND PROCUREMENT UNDER STANDING ORDER 1(6)(B), CONTRACT FOR SERVICE (CG/14/147)**

29. The Committee had before it a report by the acting Director of Corporate Governance which provided information on the decision, under the conditions of Standing Order 1(6)(b) to allow the Contract for Service between the Council and Baker Tilly, in relation to the provision of an Employee Benefits Scheme position to be extended until 1 June, 2015 to allow a re-tendering exercise to be undertaken.

**The report recommended –**

that the Committee note the decision of the Chief Executive, the respective Heads of Finance, Legal and Democratic Services and Procurement to allow the Contract of Service for the provision of an Employee Benefits Scheme to continue until 1 June, 2015 exemption having been sought from the Standing Orders.

**The Committee resolved:-**

to approve the recommendation.

### **MUSEUM COLLECTIONS CENTRE (ECS/14/063)**

30. With reference to article 12 of the minute of meeting of 19 June 2014, the Committee had before it a report by the Director of Education, Culture and Sport which sought agreement for officers to accept the tender submission of the preferred bidder to construct the Museums Collections Centre, which was higher than the budgeted sum in the Non-Housing Capital Programme, and therefore exceeds the estimated expenditure previously approved by Committee.

**The report recommended:-**

that the Committee –

- (a) instruct officers to accept the tender received to construct the Museums Collections Centre by the acceptance date of 9 December, 2014; and
- (b) agree to fund the additional sum required by increasing the overall capital allocation for the Museums Collection Centre to £5.85m; being the cost of the

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construction, ICT and telecoms and 15% corporate fees, and to include this total amount within the Capital programme.

The Convener, seconded by the Vice-Convener moved:-  
that the recommendations contained within the report be approved.

Councillor Noble, seconded by Councillor Dixon moved as an amendment:-  
to instruct officers to not accept the tender received to construct the Museums Collection Centre and to await the receipt of tenders for the Art Gallery project first, prior to revisiting this.

On a division, there voted:- for the motion (9) – the Convener, the Vice-Convener and Councillors Allan, Donnelly, Ironside, Laing, Milne, Jean Morrison and Taylor; for the amendment (8) – Councillors Cameron, Dickson, Jackie Dunbar, Greig, McCaig, Noble, Stewart and Townson.

### **The Committee resolved:-**

- (i) to approve the recommendations contained within the report;
- (ii) that details relating to the proposed annual running costs of the centre be circulated to members of the Committee once the project has been developed further;
- (iii) that details of the expenditure relating to the financial contribution from the McBey Trust be circulated to members of the Committee;
- (iv) that details of the current storage costs for the art collection be circulated to members of the Committee; and
- (v) that, once available, information be circulated to members of the Committee on the length of time the gallery collection would be stored prior to completion of the Collection Centre.

**In terms of Standing Order 36 paragraph (3), Councillor McCaig intimated he would like this matter to be referred to full Council in order for a final decision to be taken, however in terms of Standing Order 36(6) he was advised by Legal Services that the provisions of paragraph (3) shall not apply where, in the view of the Convener of the Committee or Sub Committee acting upon advice from the Head of Legal and Democratic Services and the Head of Service responsible for the area of service under consideration, such a reference would have the effect of depriving the Council of the opportunity to make any meaningful or effective determination on the subject matter of the Committee's decision. The Convener took this decision as the tender required to be accepted by 9 December 2014.**



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**ACQUISITION OF SITE - GREENBANK CRESCENT, EAST TULLOS (CHI/7563)**

31. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which sought approval to purchase a site at East Altens.

**The report recommended:-**

that the Committee instruct the Head of Legal and Democratic Services in consultation with the Head of Land and Property Assets to agree the final terms to acquire the site described within the report at Greenbank Crescent and conclude a missive for the purchase reflecting all necessary terms required to protect the Council's interest.

**The Committee resolved:-**

to approve the recommendation.

**COUNCIL HOUSE NEW BUILD PROPOSALS - MANOR WALK AND SMITHFIELD PRIMARY SCHOOL (CHI/14/061)**

32. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which sought approval to progress with the purchase of the Manor Walk site and Smithfield School site to meet critical path timelines to progress with development proposals for both sites for Council Housing as instructed to officers at the Council meeting on 8 October, 2014.

**The report recommended:-**

that the Committee –

- (a) agree the proposed purchase and transfer of the sites at Manor Walk and Smithfield School sites to the Housing Revenue Account; and
- (b) instruct officers to report back to a future committee meeting with further details and refined costs for each development.

**The Committee resolved:-**

to approve the recommendations subject to amending the wording at recommendation (a) to read “to agree the proposed transfer at value of the sites at Manor Walk and Smithfield School sites to the Housing Revenue Account.”

- **COUNCILLOR WILLIE YOUNG, Convener.**